



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

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FOR IMMEDIATE RELEASE

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**YEE ANNOUNCES TAX RELIEF FOR VICTIMS
OF HURRICANE KATRINA**

Betty T. Yee, Acting Member of the California State Board of Equalization (BOE), today announced that purchases made with American Red Cross Client Assistance or Federal Emergency Management Agency (FEMA) E-Funds Assistance cards by Hurricane Katrina victims are not subject to tax under state law. Yee also announced that the BOE is making emergency tax relief available to those taxpayers and fee payers directly affected by the storm.

California laws exempt sales made to the United States Government and the American Red Cross from sales and use tax. BOE has determined the tax exemption also applies to purchases made with both assistance cards. Retailers should not apply California sales and use tax or any district transaction taxes to purchases made with these cards, and should retain proper documentation of the exemption in their records.

All monies used for the Red Cross debit cards come from private donations. Each card allots anywhere from \$850 to \$1600, depending on the size of each affected family.

The BOE has also made emergency tax filing relief available to taxpayers and fee payers directly affected by the aftermath of Hurricane Katrina in the states of Louisiana, Mississippi, Florida and Alabama. Earlier this month, the BOE helped to prevent possible fuel shortages by waiving the penalty for on-road use of red-dyed diesel fuel through September 15.

Extension For Return Filings

Special relief in the form of a **one-month extension of time to file returns and pay taxes or fees** is available in all of the following BOE administered programs:

Sales and use taxes, gasoline tax, use fuel tax, alcoholic beverage taxes, cigarette and tobacco products taxes, jet fuel tax, diesel fuel tax, interstate user tax, timber yield tax, as well as the integrated waste management fee, California tire fee, occupational lead poisoning prevention fee, underground storage tank maintenance fee, oil spill response, prevention and administration fees, energy resources surcharge, emergency telephone users surcharge, natural gas surcharge, marine invasive species fee (ballast water fee), covered electronic waste recycling fee, water rights fees and hazardous waste fees.

This relief is afforded to any taxpayer or fee payer who was afflicted by the devastating effects of Hurricane Katrina in Louisiana, Mississippi, Florida and Alabama, and who as a result cannot meet tax filing and payment deadlines. The BOE may also extend the deadline for filings that were delayed by disruption of the normal activities of the United States Postal Service or private mail and freight companies. Taxpayers and fee payers must include with their

returns, a statement signed under penalty of perjury, stating the cause for the late filing if requesting an extension for filing returns.

Relief of Interest and Penalties

Relief of interest and penalties may be provided for those persons who are unable to file their returns and pay taxes and fees due in a timely manner. This relief may be provided to the programs listed above as well as the insurance tax and the childhood lead poisoning prevention fee.

Taxpayers and feepayers must include with their returns, a statement signed under penalty of perjury, stating the cause for the late filing if requesting relief of interest and penalties.

Please note the relief program for interstate user tax under International Fuel Tax Agreement (IFTA) applies to California tax only. To waive interest and penalties for another jurisdiction, the Board of Equalization must receive written approval from the other jurisdiction. For information regarding IFTA, please call the Fuel Taxes Division at **916-322-9669** or **800-400-7115** and follow the prompts to Fuel Taxes.

Copies of BOE Tax Records Available

Business owners and feepayers needing to obtain copies of BOE tax records, and who were affected by the storms, will be able to receive replacements free of charge. To obtain copies of critically needed tax records on file with the BOE, including prior tax returns filed with the BOE, copies of audits, and permit application forms, please call our Taxpayer Records Unit at (916) 445-4326.

For More Information and Forms

The BOE has several forms that may be of assistance. BOE 468, *Request for Extension*, and BOE 27, *Penalty and Interest Relief for Disaster Victims*, are both on the internet as fill-in forms. Copies of these forms may be downloaded by visiting our website at www.boe.ca.gov, please call **800-400-7115**.

Acting Board Member Betty T. Yee, of San Francisco, assumed the First District seat on the Board of Equalization in 2004.

The five-member Board of Equalization is a publicly elected tax board. The Board collects more than \$44 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.

Other Board Members include Bill Leonard of Sacramento/Ontario, Second District; Claude Parrish of Long Beach, Third District; Chairman John Chiang of Los Angeles, Fourth District and State Controller Steve Westly.

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